



TRUST

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TRUST FINANCIAL CONSULTANCY SERVICES PRIVATE LIMITED

INACTIVE ACCOUNT POLICY

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INACTIVE ACCOUNT POLICY

Definition of Inactive Trading Account

In case of trading account, the term inactive account refers to such account wherein no trades have been carried out since last 12 (Twelve) months across all Exchanges.

The said is not applicable to trading accounts of Institutional Investors or Non-Institutional Investors who settled their trades through custodians.

Process of Client Deactivation

The accounts identified based on the above criteria shall be flagged as 'Inactive' by the TRUST in the back office and UCC database of all the respective Exchanges

Periodicity

The process of identifying of inactive accounts will be done on periodical basis.

Client Settlement In Case of Inactive account

In case of clients who have credit balance and who are flagged as Inactive, the funds/ securities of such clients will be duly flushed out / paid out during monthly/quarterly payout of funds and securities as per exchange guidelines.

In case TRUST is unable to settle the client accounts due to non-availability of client's bank account and demat account details and non-traceability of client, TRUST will make all efforts to trace the clients to settle their funds and securities lying with them and maintain an audit trail for such efforts made for tracing such clients and settling funds and securities of such clients.

Further in cases where TRUST is unable to trace such clients in spite of all efforts taken, then the following steps and procedure will be carried out:

- i. Open one separate Client Bank/Client collateral Demat account and immediately set aside the funds and securities of these clients in such account.

- ii. Maintain audit trail of UCC wise client funds transferred to/from such bank account and UCC wise / Beneficiary (BO) ID wise securities transferred to/from such demat account (as the case may be).
- iii. Submit UCC wise/BO ID wise and fund/securities information of such account to the Exchange on quarterly basis as per the format provided by the Exchange.
- iv. In case of receipt of any claims from such clients, TRUST will settle the accounts immediately and ensure that the payment/delivery is made to the respective clients only after due diligence and verification.

Those clients who are untraceable and the funds / securities are kept in a separate account, such details and their balances shall be reported to the Exchanges even if their UCC has been flagged as 'Inactive'.

Client Reactivation

Members are required to undertake fresh documentation, due diligence and IPV where a client is coming for reactivation after a period of 1 year of being flagged as inactive i.e. after 2 years from their last trading date. However, in case a client has undertaken transaction through the TRUST, with respect to IPO/Mutual Fund subscription during this period, the same can be considered and the requirement for fresh documentation, due diligence may not be required.

Where a client is coming for reactivation after a period of one year of being flagged as "Inactive", the following mandatory checks / confirmations shall be carried out through a verifiable and retrievable mode.

Request from Client

Client need to make as application for reactivation through registered email id or registered telephone number or in writing or in any other electronic mode.

Client Screening

The client requesting reactivation request would be screened in relation to anti money laundering reviews, shell companies lists and other precautionary checks.

Due Diligence/ Documents

- i. Where a client is coming for reactivation before a period of 1 year of being flagged as "Inactive", TRUST shall:
 - a. Obtain basic details of such client like Address, Mobile number, Email ID, Bank/DP account and the same are updated in its records as well in the UCC records of the Exchange.
 - b. In case of any changes, necessary documents shall be collected.
 - c. In case there is no change in the information, client may give declaration to this effect in prescribed format.

- ii. TRUST shall also ensure that appropriate due diligence of the client is conducted on an ongoing basis in compliance with the provisions of the PMLA guidelines issued from time to time and in accordance with their respective KYC policies.

Updation of Status

The accounts identified based on the above criteria shall be flagged as 'Active' by the TRUST in the back office and UCC database of all the respective Exchanges.

Review of Policy & Maintenance of Records

This policy may be reviewed as and when there are any changes introduced by any regulatory/statutory authorities or as and when considered necessary on account of business requirements and risk management policy.